

Trade Invest Monthly

Hawaii's International Business Network

State of Hawaii

Department of Business, Economic Development & Tourism

To receive the Trade Invest Monthly by Email, please send your request to: tradeinvest@dbedt.hawaii.gov

Hawaii International Notices

Search Begins for Hawaii's Best Exporters

Nominations are now open for the 2000 *Governor's Exporter of the Year* awards. This program recognizes companies and individuals that have made significant contributions to expanding exports of Hawaii's products and services.

"Recipients of these awards serve as Hawaii's role models for all to see and emulate," said DBEDT Director Seiji Naya.

"The *Governor's Exporter of the Year* awards bring much-deserved attention to successful companies exhibiting excellence in business acumen and making Hawaii an active player in the global marketplace."

Exports of Hawaii goods and services have been identified as an important area for growth potential. By bringing Hawaii's exporters into the spotlight, it is hoped that more companies will pursue exporting and take advantage of market opportunities beyond the State.

Six primary awards will be made: Fresh Commodities; Manufactured Products; Professional Services; High Technology; the Export Trading Company; and New Exporter.

The *Governor's Exporter of the Year* will be chosen from among these six category winners. In addition, the *Outstanding Contributor to Exporting* will be awarded to the individual and/or organization that has been instrumental in promoting Hawaii exports.

Winners will be chosen based on achievements in sales during the past three years, with special consideration given to creative marketing ideas and contributions to helping others expand export markets.

All nominees must be registered to do business in the State of Hawaii, and have a sponsoring organization such as a financial institution or an industry association. Nomination forms must be received by DBEDT no later than **Friday, July 21, 2000, 4:30 p.m.**

The Exporter of the Year awards are sponsored by DBEDT, the Hawaii Department of Agriculture, the US Small Business Administration, the US Department of Commerce, the Agricultural Leadership Foundation, and the *Pacific Business News*.

To obtain nomination forms or for more information, contact DBEDT's Business Development and Marketing Division by phone (808) 587-2584, fax (808) 587-3388, or e-mail to info@dbedt.hawaii.gov.

2000 Pacific Asian Lecture Series

In its continuing summer lecture series featuring experts on international business, the Pacific Asian Management Institute (PAMI) of the University of Hawaii at Manoa, College of

Business Administration, has organized the upcoming lectures:

Tuesday, July 11, 2000

"It Ain't As Easy As It Seems!"

- ◆ Speaker: Thomas Yokoyama – Laser Barcode Solutions

Thursday, July 13, 2000

"International Trade, Entrepreneurship, the Internet and Hawaii"

- ◆ Topics: Can Hawaii's entrepreneurs play a role in international trade using the Internet – or not? What are the differences between international and domestic trade and does the Internet increase or narrow the differences?
- ◆ Speaker: Virendra Nath, President, HDEP International, President, AccessAsia.com

Tuesday, July 18, 2000

"Role of Culture in International Business"

- ◆ Topics: Culture has been one of the most used and abused constructs in International Business. This lecture reviews the application of culture in the field, focusing on the use of its derivative, "cultural distance", in the realm of foreign direct investment.
- ◆ Speaker: Oded Shenkar, Ph.D. – Fisher College of Business, Ohio State University.

Tuesday, July 25, 2000

Title to be announced

Speaker: Jane Ives, Northeastern University

All lectures are **free** and open to the public. The lectures are held at the UH College of Business Administration – corner of Maile Way and University Avenue. Lecture times: 4:15 – 5:45 p.m.

For more information, contact the PAMI office at Tel: (808) 956-8041.

"Business Down Under" Report

The US Department of Commerce – Honolulu office reports that companies interested in doing business in Australia may wish to obtain a copy of "Business Down Under."

Please contact the US Department of Commerce – Honolulu office at Tel: (808) 522-8040 to receive the publication.

Worldwide Market Reports

Due to the large number of requests for reports, we have made the request process easier to better serve you. Complete the request form at the end of the newsletter and Fax to (808) 587-3388, or send an Email message to: tradeinvest@dbedt.hawaii.gov

Japan – Overseas School Travel Market

The US and Foreign Commercial Service reports nearly all schools (primary, junior high, and high school) in Japan organize school trips for their students. The majority of schools organize domestic tours, but the number of schools (espe-

cially high school) that organize overseas school trips is increasing.

Key points of interest to Hawaii companies involved in school travel are as follows:

1. According to the Japan School Tours Bureau (JSTB), the entire school travel market in Japan is more than 300 billion yen (approximately US\$2.6 billion at US\$1/114 yen). It is estimated that the market size of overseas high school travel is approximately US\$263 million);
2. In addition, according to the Japanese Ministry of Education, a total of 820 schools with 995 groups organized overseas school trips for 165,251 students in 1999;
3. Private schools are able to choose their school trip destinations. Public schools cannot choose overseas destinations without permission from their respective local governments;
4. Japanese students who visited the US would most likely be repeat travelers to the US in the future;
5. Most popular destination for overseas school trips in 1999 is Korea (250 schools), followed by China (171 schools) and Australia (164 schools). Hawaii ranks 7th (56 schools) and the US mainland ranks 5th (94 schools); and
6. For the US, the competitors are mainly other English-speaking countries such as Australia, Canada and New Zealand. These countries are conducting very active promotions for school travel, targeting travel agents as well as teachers.
7. For Hawaii, preliminary estimates are that upwards of 22,000 students on school excursions will travel to Hawaii during the year 2000. And, with the large travel agencies and airlines in Japan aggressively promoting school excursions to Hawaii, this number will grow dramatically in 2001.

In addition, two trade shows may also be of interest to Hawaii companies:

- ♦ *Visit USA. Travel Fair 2000* – October 25-26, 2000. Tokyo. Organizer: US Embassy Tokyo.
- ♦ *World Travel Fair 2000* – August 25-27, 2000. Tokyo. Organizer: World Travel Fair Organizing Committee

For a copy of the report, complete the request form and fax to (808) 587-3388.

Overseas Schools - Opportunities for Hawaii Firms

To assist Hawaii companies in marketing to Japan schools for excursions to Hawaii, and to assist Japan schools in their school excursions needs in Hawaii, DBEDT established last year the Japan-Hawaii School Excursions Advisory Committee. Points of contacts in Japan are the Hawaii-Visitors and Convention Bureau-Tokyo Office and in Hawaii, the Honolulu Japanese Chamber of Commerce.

For Hawaii companies interested in attracting the school tour market to Hawaii, DBEDT and the Honolulu Japanese Chamber of Commerce will be organizing a "Education and School Excursions Mission" to Hiroshima and Fukuoka on November 11-18, 2000. Assisting with seminars, meetings, appointments and presentations to Japanese travel agents involved in school excursions, Japanese schoolteachers and administrators, and Japanese government and education officials, are the Hawaii Visitors and Convention Bureau and the Hawaii Tourism Authority.

For more information please call the Honolulu Japanese Chamber of Commerce at 949-5531 or DBEDT at 587-2755.

Australia – Fishing Tackle Industry (14 pages)

The US & Foreign Commercial Service published an International Marketing Insight report on Australia's Fishing Tackle Industry.

It is estimated that there are more than 1.5 million recreational fishermen in Australia. Fishing in Australia is popular, as attested by the number of magazine, television programs, and radio programs. A few of the magazines are listed in the report's appendix.

The key points of the report are as follows:

1. Many fishing tackle shops in Australia belong to buying groups. This allows smaller stores greater buying power, and ensures that they are competitive in price. These buying groups usually purchase through major Australian distributors;
2. A true fishing enthusiast will search out a fishing tackle shop rather than shopping for fishing tackle at a chain store. This is due to the knowledge and enthusiasm in fishing that is offered at the fishing tackle shop – the ability to talk fish and fishing. This camaraderie does not exist as much in the chain stores;
3. Reels – stocks in chain stores include Penn, Shimano, Ryobi, Power Rite, Integra, and Avery. Fishing tackle shops have a greater variety of reels, including Abu Garcia, Zebco, Daiwa, Okuma, Mitchell, and Silstar. Reel pricing is listed in the report;
4. Rods – components to assemble rods often come from the US Stores such as Kmart and Super Amart have similar fishing rod stock, much of it coming from major distributors Jarvis Walker and Shimano. Rod prices are listed in the report;
5. Lures – there is a lucrative manufacture of lures, mainly from small local operators. These small operators, mainly home-based businesses, often advertise in magazines and on the Internet. Most lures are made locally, with names such as Kokoda, RMG, Halco, Rios Tilsan, C-Lures, and Screamer among others. Tackle shop carry an even wider variety of lures including Arbogant, Cotton Cordel, Rebel, Heddon, Powderdisc Minnow, Ozark Mountain, Rapala, Classic Barra, Lively Lures, Bomber, and many more;
6. In all fishing products, there is a range of product quality. Top end and mid-range products come from the US, Europe, and Japan. Cheaper products come from Asia;
7. US companies interested in entering the Australian recreational fishing market are advised to contact the Australian Fishing Tackle Association (AFTA). AFTA organizes an annual trade only fair;
8. US exporters of fishing tackle are advised to register their trademark or patent in the US, and then in Australia; and
9. The report provides a listing of Australian fishing trade fairs and a listing of importers, manufacturers, and wholesalers.

For a copy of the report, complete the request form and fax to (808) 587-3388.

India – Hotel, Restaurant & Institutional Food Service Market

The US Department of Agriculture reports that India's food service market is small but growing. Sales by Indian food service companies totaled approximately US\$6 billion in fiscal year 1998.

India consumers spent a low percent of their food expenditure in hotels and restaurants in 1996, but a number of factors driving increased food service sales:

1. Growth in personal income – the top 3.9 million Indian household have an average of US\$35,000 per year;

2. Shrinking household size – the size of the average Indian household has declined over the past 5 years;
3. Growing middle class - the number of households in the middle, upper and high-income categories have grown by more than 12% per year. Approximately 23.6 million households have been added to the middle, upper, and high-income segments from 1990 to 1998;
4. Urbanization – 50% of middle, upper, and high-income households reside in urban areas, meaning a high concentration of a market segment in a condensed area;
5. Growing number of women in the workplace – dual income households are increasing. Of the female population in India, over 16% of them work full time. Due to these changes, many consumers choose to eat meals away from home; and
6. Menu diversification – Urban Indian consumers are exposed to the various international cuisine, and they are more willing to try new foods.

In addition, the report provides the following background information:

- ▶ □ Market entry - entry strategy, distribution channels, hotels, restaurants; Indian food service company profiles;
- ▶ □ Competition; and
- ▶ □ Best product prospects.

For a copy of the report, complete the request form and fax to (808) 587-3388.

China –Environmental Protection Projects

The US & Foreign Commercial Service reports that the Chongqing Municipality plans to invest RMB 24.2 billion for six environmental protection projects in the 10th Five-Year Plan. The projects are expected to create opportunities for US firms that supply environmental protection equipment and technologies.

The six projects are as follows:

1. Cleaning and Fresh Project – investment of (Renminbi) RMB 5.5 billion. Rebuild dust treatment systems for the steel, building materials and glass industries. Rebuilt systems will reduce annual industrial powder output by 23,000 pounds;
2. Green Water Project – investment of RMB 12.76 billion. Setting up water treatment factories and city sewage pipelines. Result will be the reduction of pollution materials in industrial waste water by 32,600 tons;
1. Solid Waste Project – set up 26 garbage treatment factories with handling capacity of 6,200 tons per day;
2. Ecology Project – construct the Yudong and Yuxi public ecological conservatories and 35 environmentally protected regions;
3. Capability Project – equip environmental inspecting systems, information networks, emergency center; and
4. Equipment Project – introduce and produce environmental protection equipment, set up a specific environmental protection technology research center.

For more information on the projects, contact:

Mr. Du Zhengqing

Chongqing Ecological Environment Construction and Protection Office Tel: (86) 23-63650012; Fax: (86) 23-63615852;

E-mail: cqzsxx@cq.cei.gov.cn

Chongqing Foreign Investment website: www.cq.cei.gov.cn

Retail Food Sector Reports – Singapore/Southeast Asia and Mexico

The US Department of Agriculture has published two additional retail sector guides to assist US food companies entering foreign markets.

The most recent reports focus on the Singapore/Southeast Asia – revised report (20 pages) & Mexico (10 pages) markets, and cover the following topics:

1. Market summary – economic trends and outlook;
2. Market sector structure and trends – operations, merchandising;
3. Competition; and
4. Key contacts and further information.

For a copy of the report, complete the request form and fax to (808) 587-3388.

Australia - Sunscreen

The US & Foreign Commercial Service in Australia recently published a market update on the Australian sunscreen market.

The Australian sunscreen market is valued at approximately US\$31 million.

Since Australia has the highest incidence of skin cancer in the world, it is not surprising that market estimates indicate that the products with the highest sun protection factor (SPF30+) are beginning to dominate the market. It is estimated that the sales of high-protection sunscreen now account for more than 80% of total sunscreen sales.

For Hawaii sunscreen companies interested in entering the market, the following points should be considered:

1. Australia has the most stringent sunscreen requirements in the world – with a standard for testing and labeling of sunscreens that have been in place since 1983;
2. US testing methods are not recognized, and all US products must be re-tested in Australia before they can be approved for sale in the Australian market;
3. Any sunscreen formulation that is higher than SPF4 is considered a therapeutic good, and must be first registered with the Australian Register of Therapeutic Goods before it can be sold in the market;
4. Sunscreens are sold mainly through pharmacies, grocery outlets, and department stores. Pharmacy store sales are showing the biggest growth in sales; and
5. Top sunscreen brands in Australia include: Ego Pharmaceutical's Sensesense; Hamilton; Aquasun; Banana Boat; UV; and Reef Oil.

For a copy of a report, complete the request form and fax to (808) 587-3388.

Japan – Nutritional Supplements Deregulation

The US & Foreign Commercial Service reports that on April 5, 2000, Japan's Ministry of Health and Welfare announced a partial amendment of "Notice 46," an amendment that enables US dietary suppliers to market their products in Japan under tablet and capsule forms.

Under the amendment, in separating foods from drugs, the following "must-nots" are specified:

- ◆ Foods must not look like drugs;
- ◆ Foods must not use certain raw materials;

- ◆ Foods must not claim efficacy; and
- ◆ Foods must not use dosage.

Currently, 13 vitamins and 12 mineral have been designated as foods for regulatory purposes.

Additional qualifications to the regulations of the deregulated vitamins and food supplements are as follows:

- ◆ While tablets and capsules are acceptable, ampoules are not allowed for foods;
- ◆ Suppliers are required to specify the word, "food" on the labels and labelings; and
- ◆ Dosages must not look like that of drugs.

For a copy of a report, complete the request form and fax to (808) 587-3388.

Trade Opportunities

The trade opportunities listed come directly from the company or trade organization. DBEDT does not endorse these companies or organizations. Please do your own background check before entering into any business negotiation.

Philippines

Company specializing in computer drawn/designed products and services with manufacturing capabilities to produce small novelty items is looking for joint ventures with Hawaii firms. Please contact Ernie S. Delos Reyes, Suprix General Trading and Services, Manila, Philippines at Tel: (632) 493-5165; Email: suprix-gen@cdsamil.com.ph

Company in the Philippines is offering its services to companies who are interested in importing products from the Philippines. Contact FOUNDASCO Philippines, Inc., 610 Cityland 10, Tower 1, 6815 Ayala Avenue, Makati City Philippines, Tel: 63-2-813-4676; Fax: 63-2-816-7211; e-mail: fpiinc@pacific.net.ph

Poland

Companies interested in importing or exporting to Poland are encouraged to contact Polish consulate office for assistance. Contact Mr. Boleslaw Meluch, Consul for Commercial Affairs - Consulate General of the Republic of Poland at (310) 442-8500; Fax: (310) 442-8526; Email: meluch@earthlink.net or refer to their webpage at www.pan.net/tradeconsul

Czech Republic

Companies interested in importing or exporting to the Czech Republic please contact Josef Dvoracek, Commercial Consul, Consulate General of the Czech Republic at Tel: (310) 473-0889

late General of the Czech Republic at Tel: (310) 473-0889 ext. 229; Fax: (310) 473-9813; Email: losangeles@embassy.mzv.cz or refer to their webpage at www.czech.cz/washington

Canada

Canadian currency exchange company is offering its foreign exchange services. It claims to offer better rates of exchange than the chartered banks. Contact Derrick Nicholson at Sterling Corporate Currency Exchange, Tel: (250) 717-8803; Fax: (250) 717-3448; Toll-Free: 1-888-269-3355.

Trade Shows, Conferences, & Trade Missions

November 7 - 9, 2000

Korea Technomart 2000, Seoul, Korea.

This exhibition is a forum for high-tech companies from around the world that want to develop technology transactions, sales and alliances with other firms. More than 150 foreign and US firms and over 1000 Korean companies are expected to participate. Sponsored by the Korea Trade-Investment Promotion Agency (KOTRA). For more information contact Tim Newman or Dae Eui Hong at Tel: (323) 954-9500 or by email: KTCLA@aol.com

November 27-29, 2000

Aquatech and Environment Philippines 2000. Manila, Philippines. Show features water and wastewater technologies, as well as products and services available in the waste management sector. Endorsed by the Environmental Management (EMB) and the Department of Environment and Natural Resources (DENR). The US Commercial Service of the American Embassy in Manila and the US-Asia Environmental Partnership (US-AEP) are organizing the US Pavilion. For more information, contact the US-AEP in the Philippines at Tel: 63-2-888-4081; Fax: 63-2-888-6093.

November 28-December 1, 2000

Foodapest 2000 - 5th International Food, Drink and Food Processing Trade Fair. Budapest, Hungary. 1998 show attracted over 31,000 visitors and 639 exhibitors from 23 countries. Best prospects are fresh and processed fruit, rice, prepared sauces and condiments, pet food, nuts, distilled liquors, seafood, meat, miscellaneous grocery items, and dried fruit. For trade visitors only. For more information, contact the US Department of Agriculture at Tel: (202) 720-3623; e-mail: Nemeth@fas.usda.gov

Report Request Form

Company: _____ Contact person: _____
 Address: _____ City: _____ Zipcode _____
 Telephone number: _____ Facsimile number: _____

Report(s) requested:

___ Australia - Fishing Tackle Industry

___ India - Food Service Sector Report

___ Singapore/Southeast Asia Retail Report

___ Japan - Nutritional Supplements Deregulation

Other: _____

___ Overseas School Travel Market

___ Mexico Retail Sector Report

___ Australia - Sunscreen

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